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SUMMARY RECORD OF THE 29th MEETING

Chairman: Mr. DINU (Romania)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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* Items considered together.

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 113: UNITED NATIONS COMMON SYSTEM (continued) (A/47/30; A/C.5/47/25 and A/C.5/47/36 to 38)

AGENDA ITEM 114: UNITED NATIONS PENSION SYSTEM (continued) (A/47/9 and A/47/578; A/C.5/47/8 and A/C.5/47/25)

1. Mr. ENGFELTD (Sweden), speaking on behalf of the five Nordic countries, said it was encouraging to note the Secretary-General's statement in his report on the work of the Organization A/47/1 that the restructuring process should be accompanied by a deeper appreciation and respect for the international civil service and that special emphasis would be placed on the improvement of the conditions of service.

2. The Nordic delegations wished to reaffirm their support of the common system. The fact that national subsidies now seemed to be on the increase suggested that the United Nations was not a competitive employer; compensation levels must be adjusted with a view to eliminating such practices and enabling the system to attract the best possible people regardless of their countries of origin.

3. The granting by the International Telecommunication Union (ITU) of a special post allowance to 90 per cent of the staff in the Professional and higher categories was contrary to the rules and spirit of the common system. By paying a second instalment of that allowance, the ITU was also violating its own regulations. The Nordic countries urged the ITU to reconsider the payment of further special allowances, which had been condemned by both the International Civil Service Commission (ICSC) and the General Assembly. They supported the Commission's recommendation that all organizations should invite the Commission to be represented at meetings where proposals pertaining to salaries, allowances, benefits and other conditions of employment were discussed; the presence of the ICSC at such meetings would prove beneficial to all parties concerned and lead to a strengthening of the common system.

4. The most serious anomaly arising from the method of calculation of the pensionable remuneration of staff in the General Service category was that of income inversion as compared with the salaries of professionals. It was obvious that present salary and pension methodologies for the General Service needed to be modified, and that, as the Administrative Committee on Coordination (ACC) had emphasized, any changes in the system should not result in an erosion of current conditions. The issue should therefore be deferred until a solution had been found.

5. The Nordic countries supported the Commission's recommendation, which had been endorsed by the ACC, that the base/floor salary scale should be increased by 6.9 per cent through consolidation of post-adjustment classes as from 1 March 1993.

(Mr. Engfeltd, Sweden)

6. In view of the problems connected with the recruitment of highly specialized staff, the introduction of special occupational rates might be a useful tool and the fact that the comparator had already made use of them should make them more acceptable. The Nordic delegations therefore supported a feasibility study, but considered that such rates should be applied on a very restrictive basis and constitute an exception.

7. The Nordic delegations endorsed in principle the proposed increases in children's allowances and those of secondary dependants. The proposed increase of maximum educational allowances also seemed well founded.

8. The issue of the conditions of service of Under-Secretaries-General, Assistant Secretaries-General and equivalent levels should be acted upon without delay. The fact that the restructuring had entered its second phase should not delay the adjustment of the remuneration levels of high-level staff members to meet the equivalent levels of the comparator civil service; the elimination of several posts in the top echelon should facilitate that adjustment.

9. The Nordic delegations supported the recommendations contained in the report of the Working Group on the Status of Women. They agreed that an overall strategy should be developed in each organization and reactivated if it failed to meet the goals that had been set. Follow-up measures, in particular to place responsibility at sufficiently authoritative levels, were a crucial element in meeting those goals. The Nordic delegations endorsed the Commission's decision to collect statistical data on the representation of women in the common system. They had noted with regret that there were no women in the top positions of the Secretariat and hoped that that anomaly would soon be addressed. They welcomed the assurances of the Secretary-General that he intended to do all he could to bring the balance in policy-level positions to 50-50 by the fiftieth anniversary of the United Nations.

10. With regard to the United Nations pensions system, the Nordic delegations endorsed in principle the recommendations of the Joint Staff Pension Board and the draft resolution in annex XVI of its report. They considered that the real rate of return of 4.3 per cent was highly satisfactory given economic conditions.

11. The Nordic delegations were among the proponents of the biennalization of the work programme of the Fifth Committee, which should facilitate and rationalize its work. That measure should not, however, have negative effects on staff conditions, and exceptions should therefore be applied to safeguard salary adjustments.

12. Mr. BEN HAMIDA (Tunisia) drew attention to the obvious contribution made by the Organization's staff to the attainment of its goals and considered that the participation of staff representatives in the discussion of questions affecting their interests was desirable. The ICSC should be strongly

(Mr. Ben Hamida, Tunisia)

supported and encouraged. Its working methods and rules of procedure could not be amended or interpreted according to the wishes of some delegations. The ICSC must maintain its impartiality and be immune to pressure. It would be useful to consider means of ensuring its independence, including financial means.

13. The improvement of conditions of service, career enhancement and salary adjustment were all questions which should be dealt with by seeking a balance between the need to increase remuneration and to improve professional efficiency and cost-benefits. His delegation approved the steps advocated by the Commission to improve the status and working conditions of women and considered that a sustained collective effort was needed to achieve that goal.

14. Mr. GABRIEL (Philippines) said that the ICSC decision to request the General Assembly to examine adjustments to the base/floor salary scale on an annual basis, which his delegation supported, responded to the concerns of staff representatives regarding the effects on staff entitlements of the biennialization of the Fifth Committee's programme of work.

15. He regretted the continued payment by ITU of a special post allowance. His delegation supported the ICSC recommendation that it should be mandatory for all organizations to invite the Commission to be represented at meetings where proposals pertaining to salaries, allowances and benefits and other conditions of employment were discussed in order to avoid similar situations in future.

16. His delegation endorsed the guidelines proposed by the Commission on pension arrangements for elected ungraded officials. With regard to the methodology for determining pensionable remuneration for General Service staff, he noted that the staff representatives had strongly objected to the income replacement approach to remedy the problem of income inversion. He hoped that it would be possible to find some middle ground and that revision of the current methodology would not deprive staff members of an adequate pension.

17. His delegation found merit in the Commission's recommendation to increase the current base/floor salary scale by 6.9 per cent with effect from 1 March 1993. Nevertheless a further corrective adjustment might be necessary in view of the anticipated increase in salaries in the United States Federal Civil Service on 1 January 1993.

18. There was no doubt that the methodology used to determine the cost-of-living differential between New York and Washington was deficient. The new methodology should be refined and implemented as soon as possible. His delegation favoured the introduction of special occupational rates as a means of addressing recruitment problems in some technical fields. His delegation also supported the Commission's recommendation regarding dependency allowances for the Professional and higher categories.

(Mr. Gabriel, Philippines)

19. The staff representatives claimed that certain data had been excluded from the surveys of best prevailing conditions of employment at headquarters duty stations. While he had full confidence in the technical expertise of the Commission, it might be wise for it to look into the matter further to remove any uncertainty. The Flemming principle remained the basis for determining the conditions of service of the General Service and related categories, but that should not be used as a reason to reject the results of a survey, if accurate, simply because they did not conform to expectations.

20. With regard to the education grant, due to rising costs there was a need to increase the maximum level of admissible expenses, the maximum grant and the ceiling for boarding costs for areas where education-related expenses were incurred in certain currencies. His delegation supported the Commission's recommendations regarding the amount of the special education grant for disabled children and the amount of additional reimbursement of boarding costs. The mobility and hardship scheme had been operating satisfactorily, and the existing parameters should be maintained, as recommended by the Commission. His delegation appreciated the efforts of the Working Group on the Status of Women in the United Nations System and hoped that the Secretary-General would be able to move closer to the goal of increasing the percentage of women employed by the United Nations in policy-level positions to around 50 per cent by the fiftieth anniversary of the Organization.

21. His delegation commended the managers of the Pension Fund for their efficient management of the Fund, which had resulted in an overall rate of return of 7.6 per cent for the year ending 31 March 1992, notwithstanding adverse world economic conditions.

22. Mr. KUZNETSOV (Russian Federation) said that his delegation welcomed the Commission's decision to review its programme of work to take account of the biennialization of the work of the Fifth Committee. Noting with surprise that the staff representatives had refused to engage in a constructive dialogue with the Commission at its most recent session, he recalled that the Commission had developed balanced machinery for consultation which, in his view, should be maintained and consolidated.

23. He commended the efforts made by the Commission to preserve and strengthen the common system, since he was convinced that a unified system was essential in ensuring the rational utilization of the resources of the organizations. He noted with concern that ITU had compromised the unity of the common system by deciding to pay a special post allowance to its staff and he endorsed the conclusions of ICSC in that regard. The resolution on the common system to be adopted by the Fifth Committee must contain effective provisions to ensure that such a situation could not recur in future.

24. In 1992 the comprehensive review of the pensionable remuneration and the corresponding pensions of the General Service and related categories had occupied an important place in the work of the Commission. His delegation

(Mr. Kuznetsov, Russian Federation)

noted with satisfaction that the Commission had taken an appropriate position by opting for the income replacement approach. With respect to the selection of a specific alternative within that approach, doubt remained inasmuch as the principal shortcoming of the current system - the phenomenon of income inversion - would not disappear. His delegation trusted that the additional work being done in that area would lead to the desired outcome.

25. His delegation strongly supported the Commission's decisions regarding the methodology to be employed in determining the best conditions of employment at headquarters duty stations. The implementation of those decisions would allow conditions of employment on local labour markets to be assessed more precisely and objectively.

26. With respect to ungraded officials who were not participants in the Pension Fund, his delegation endorsed the Commission's view that the pensions of the individuals concerned should be comparable to those of their counterparts who were participants in the Fund. Account must also be taken of the level of resources of the organizations. The options presented in annex III to the report did not offer a completely satisfactory solution. Accordingly, the approach followed by ICAO (A/47/30, para. 64) deserved further study.

27. Without being opposed to an increase in base/floor salary levels, his delegation wished to emphasize that the establishment of a rigid link between increases granted under the base/floor salary scale and automatic increases in mobility and hardship allowances continued to give cause for concern. His delegation could not support the formula currently used in the matrix. The proposed system was very costly, and questionable from a technical standpoint. With the parameters currently used, staff sometimes had an objective interest in requesting a transfer from a hardship duty station to a duty station where conditions of employment were more attractive since the transfer would result in higher pay. Further, owing to the existence of the allowance, some organizations were having difficulty in bringing their staff back from field offices to Headquarters.

28. The information given in the report of the International Civil Service Commission about the new procedure for the determination of the cost-of-living differential between New York and Washington, D.C. was too sketchy to permit adopting a definitive position. His delegation hoped that more detailed explanations would be provided in the course of informal consultations. Noting that some of the elements and parameters inherent in the new procedure were open to controversy, he expressed serious reservations with regard to the idea of extending the method to the system as a whole. As could be seen from paragraph 142 of the report, the proposed model did not even enjoy the unanimous support of all members of the Commission. His delegation could not approve the method as proposed because it entailed a risk of seriously distorting the calculation of the margin, which remained the chief criterion for evaluating the level of remuneration of Professional staff. His

(Mr. Kuznetsov, Russian Federation)

delegation shared the view of those Commission members who had proposed that the current methodology should remain in effect until the results of the implementation of the Federal Employees' Pay Comparability Act (FEPCA) were known.

29. His delegation was not, on the whole, opposed to the Commission studying the possibility of using special rates for certain occupational fields. It felt, however, that the greatest caution was called for in that connection; the system should not be automatically extended to categories of staff which could not be regarded as specialized occupational groups.

30. His delegation noted with regret that, as in previous years, the Commission's studies tended to focus on matters relating to remuneration. The Commission seemed to forget that the General Assembly at its forty-fifth and forty-sixth sessions had invited it to give greater attention to matters referred to in articles 13 and 14 of its statute. In that connection, his delegation welcomed the assurance given by the Chairman of the Commission in his introductory statement that the Commission would henceforth give greater prominence to questions such as human resource planning, career development, productivity and performance appraisal in terms of the common system.

31. Mr. NA CHAMPASSAK (Australia), speaking on behalf of the delegations of Australia, Canada and New Zealand, stressed the importance of the common system, which was a means not only of harmonizing personnel procedures but also of controlling personnel costs. It was regrettable, therefore, that distortions had occurred in some duty stations and that some organizations had deemed fit to depart from the common rules. The delegations he represented expected ITU to respect its undertaking to refrain in future from granting special post allowances to its headquarters-based Professional staff. At a more general level, it was important that agencies should maintain a dialogue on such matters with ICSC and CCAQ. The three delegations therefore endorsed the ICSC recommendation that it should be mandatory for all organizations to invite the Commission to be represented at meetings where proposals pertaining to common system issues were discussed.

32. Unlike certain other delegations, Australia, Canada and New Zealand considered that overall remuneration in the United Nations was reasonable. It was competitive in the General Service category and reasonably competitive in salaries of the Professional category, especially when allowances were included. The ICSC recommendation for a 6.9 per cent increase in the current base/floor salary scale for Professional and higher categories from 1 March 1993 deserved careful study in the light of the forthcoming ACABQ report on the matter and on the assumption that any real cost increases arising from the increase would be met from efficiency dividends and other offsets.

(Mr. Na Champassak, Australia)

33. Australia, Canada and New Zealand also had no objection to consideration being given to an increase in net remuneration at the Under-Secretary-General and Assistant Secretary-General levels provided that increase too was met from efficiency dividends and other cost-cutting measures. Their definitive position would, however, be determined by any subsequent restructuring of the Secretariat, including the possible creation of a D-3 category. Further, they took the view that the representation allowance granted to holders of high-ranking positions should be made accountable and the expenses should be itemized so that the amounts involved should not be construed as another salary increase.

34. While understanding the rationale behind the ICSC recommendations to increase dependency allowances and the education grant, the three delegations wished to emphasize that the allowances and grants, which were not based on the comparator, were of significant benefit to eligible staff.

35. Australia, Canada and New Zealand fully supported the Commission's decision to conduct a feasibility study on establishing special occupational rates for the common system. In the case of the Professional category, such rates could be based on the comparator employer approach.

36. The process of periodic review of the method of conducting salary surveys for General Service staff at the seven Headquarters locations was a necessary one. However, the three delegations doubted the need for the "transitional measures" for Geneva referred to in paragraph 221 of the ICSC report (A/47/30), and reserved their position on decision (b) (vi) in paragraph 231.

37. The three delegations, convinced of the usefulness of mobility and hardship incentives for staff, were pleased to learn that preliminary findings showed those schemes to be beneficial to both employer and employee, and invited the Commission to submit more detailed information on the matter at the forty-ninth session of the General Assembly. Lastly, agreeing that other aspects of personnel management - upon which part of the attraction of a career in the international civil service partially depended - deserved as much attention as the question of remuneration, they proposed that the Commission should further develop and standardize the classification of posts and should assist in the development of a new performance appraisal system.

38. Turning to the report of the United Nations Joint Staff Pension Board (A/47/9), he noted with satisfaction the reduction in the actuarial imbalance reflected in the valuation of the Fund as at 31 December 1990, but noted that in dollar terms the actuarial imbalance might be as high as $2.7 billion. The three delegations urged the Joint Staff Pension Board to disclose the precise amount of the imbalance in its financial statement and to spare no effort in continuing to improve the actuarial trend. As for the Fund's investment performance, it appeared to be reasonable, but the figures would be more convincing if presented in comparative terms against appropriate investment benchmarks.

(Mr. Na Champassak, Australia)

39. After rejecting the Blanchard Group's proposal regarding pension arrangements for elected ungraded officials, ICSC had proposed two alternatives, neither of which was attractive. The question should simply not arise: those officials should be members of the United Nations Joint Staff Pension Fund, like other officials.

40. The methodology for determining the pensionable remuneration rates for General Service staff was a highly contentious issue. The current scheme led to anomalies such as the phenomenon of "income inversion", which resulted from the methods used since 1962 to gross up the net salaries of General Service staff. While endorsing the Pension Board Chairman's proposal that pensionable remuneration for General Service staff could be calculated on the basis of their net salary as outlined in the Board's report, he noted that no consensus had been reached by the Board on the matter, and that care must be taken not to create new anomalies while eliminating current ones.

41. Lastly, it was regrettable that staff representatives had decided to break off the consultations provided for under the Statutes of ICSC and of the United Nations Joint Staff Pension Board.

42. Mr. STITT (United Kingdom), speaking on behalf of the European Community and its member States, noted the improvement in the quality of the ICSC report and recognized that, if it was still not totally transparent on every issue, that was because of the complexity of the subject.

43. The Twelve, which had supported General Assembly resolution 46/220, noted the concerns felt by members of ICSC and the Pension Board about the implications of biennialization. They believed, however, that both bodies could succeed in adapting to that new work pattern - availing themselves, where necessary, of the possibilities for exceptions that had been provided for.

44. The importance of the common system could not be overemphasized: not only did it simplify matters for the organizations themselves; it also constituted a cornerstone for the coordination of the programmes and activities undertaken by those organizations. In adhering voluntarily to the common system, each organization accepted its obligations, and any unilateral action on the part of an organization could cause it to lose the corresponding benefits, as was confirmed in General Assembly resolution 46/191.

45. The independence of ICSC, which was responsible for overseeing the functioning of the common system, must not be called into question. Those participating in consultations must be ready to compromise. While the more courteous tone adopted by staff representatives was appreciated, it was a matter for deep concern that one representative had very explicitly questioned the legitimacy of ICSC.

(Mr. Stitt, United Kingdom)

46. It was also a matter for concern that some administrations might be tempted, if they failed to find common ground with their staff, to go directly to their governing bodies without consulting ICSC - as had happened in the cases of the United Nations Development Programme, the International Atomic Energy Agency and the International Telecommunication Union. The Twelve had consistently held the view that ICSC and the Pension Board should be systematically consulted before any proposal relating to conditions of service was put to any governing body, and that they should always be invited to be present at meetings devoted to consideration of such proposals. The idea of making that practice mandatory, recommended by ICSC in its report, should be considered carefully in the light of the Commission's Statute. The bodies concerned would also need to organize their schedules and agendas so as to allow for the participation of ICSC representatives and so as to avoid duplication; and, in case of doubt, ICSC should itself specify what questions were to be treated in the framework of the common system.

47. The Twelve endorsed in principle the introduction of special occupational rates for some specialized technical fields, provided that the purpose was to respond to recruitment problems for which concrete evidence existed; that those rates were never applied to all staff of a particular agency; and that the views of all the administrations were duly taken into account. Bearing in mind that staff costs represented a very significant element in budgets, a balance must be struck between the requirements of the labour market and the need to reduce costs in both national administrations and international organizations.

48. With regard to the conditions of service of the Professional and higher categories, the European Community had noted with interest that the Secretary-General was considering introducing a career level related to the Assistant Secretary-General level. If a formal proposal to that effect was forthcoming, it should be examined expeditiously by ICSC, particularly from the standpoint of its implications for the common system. With regard to the conditions of service of Assistant Secretaries-General and Under-Secretaries-General, the proposals of ICSC and the Secretary-General seemed highly advantageous for those concerned. The Twelve were nevertheless inclined to study them in the light of the conclusions of the Advisory Committee.

49. The Administrative Committee on Coordination (ACC) had put forward a proposal, endorsed by the Secretary-General, for modifying the modalities for application of the Noblemaire principle. Account must be taken of all related factors when considering that proposal. The Twelve also wished to know how matters stood with regard to the methodology for identifying the highest-paid civil service that the Commission had been requested to prepare.

50. Now that the Commission had concluded that the methodology for determining the cost-of-living differential between New York and Washington was deficient and that it should be replaced by the methodology developed by a

(Mr. Stitt, United Kingdom)

consultancy firm, information would be welcome on the technical impact of such a decision on measurement of the margin between remuneration of United Nations officials and that of United States officials.

51. The latest proposals of ICSC on the level of the base/floor salary scale would be examined with interest. The Twelve would be grateful for a precise quantification of the savings deriving from the provisions of the mobility and hardship scheme. Similarly, with regard to the dependency allowances for the Professional and higher categories, it would be interesting to know what was the relationship between those allowances and social security benefits in the countries concerned. The children's allowance should be reviewed every two years, as should the secondary dependant's allowance; and the Commission should provide further information on the rationale for determining the level of the latter.

52. The Twelve were ready to endorse the methodology for determining the amount of the education grant proposed by the Consultative Committee on Administrative Questions and described in annex VII of the ICSC report; but the discrepancy between effective increases and recommended increases revealed in the table in paragraph 248 of the report should be accounted for. In addition, the estimates should be revised to take account of currency fluctuations which might have reduced costs expressed in dollars.

53. The States members of the European Community were generally in favour of the Commission's decisions concerning a high participation rate of women in the secretariats of United Nations organizations, especially at the senior levels. The intentions of the Secretary-General in that respect were also welcome. It would be useful to know the extent to which the measures outlined in paragraph 296 of the report reflected existing practice, in particular on family-related issues and spouse employment.

54. Any measure designed to strengthen the independence of the international civil service would be viewed with sympathy by the States members of the European Community.

55. The Flemming principle must continue to be applied with respect to the remuneration of General Service staff, although some of the modalities used resulted in grade overlap. Further information would be welcome concerning the definition of commuting distance, the adjustments made in respect of the advantages of public sector employment, the reasons why no interim adjustments would in future be made for a six-month period prior to the reference date of the salary survey, and the expected date of issue of the report requested by the General Assembly in section XIII, paragraph 3, of resolution 45/241.

56. The most prominent pensions issue was the methodology for calculation of the pensionable remuneration of General Service staff, for it lay at the root of a serious anomaly, the phenomenon known as income inversion. It was regrettable that the Pension Board had not been able to reach a consensus on

(Mr. Stitt, United Kingdom)

the issue, but it was significant that the governing bodies and executive heads of all the organizations had recognized the need for change. The European Community requested that the statistics contained in annex III of document ICSC/35/R.12 should be communicated to member States. The arrangements endorsed by ICSC were close to the compromise elaborated by the Chairman of the Pension Board; they were based on the principle of income replacement and were designed to remove two of the causes of income inversion. Furthermore, the transitional measures envisaged in paragraph 99 (e) of the ICSC report guaranteed that in no case would the pensionable remuneration of any staff member be reduced. However, it was not clear how the date for implementation of the new system had been chosen.

57. The question of the pensionable remuneration of ungraded officials was no doubt a sensitive one. The States members of the European Community fully appreciated the decision of the governing body of UNESCO concerning its Director-General and the efforts made to devise alternative solutions. However, they would be grateful for further information about those efforts, in particular as to whether the resulting pensions would in fact be calculated in dollars.

58. The States members of the European Community could support the proposed amendments to the regulations of the Pension Fund. They noted with satisfaction that the management of the Fund's investments, with assets in excess of $10 billion, had produced satisfactory results despite the economic downturn. In their opinion, the protection of the interests of participants must remain paramount in the investment strategy; therefore the criteria of safety, profitability, liquidity and convertibility remained important.

59. Mr. OSELLA (Argentina), speaking on behalf of the delegations of Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Uruguay and Venezuela, said that they attached great importance to the conditions of service of United Nations staff and believed that the exchange of views between the staff representatives and ICSC should be pursued, for it enriched the debate and facilitated decisions. The biennialization of the Fifth Committee's programme of work must not be detrimental to the staff, and it was therefore necessary to provide for exceptions in the case of adjustment of the base/floor salary scale.

60. In the section of resolution 46/192 dealing with the pensionable remuneration of General Service staff the General Assembly had endorsed the conclusion of the Commission and the Pension Board that new studies of possible methodologies should be made in order to determine the fairest solution for all sides. Since it was extremely difficult to make an accurate comparison with local schemes, it was preferable, as the Commission thought, to discontinue the calculation of pensions on the basis of local practice.

61. Given the difference between rates of remuneration in the United Nations and in the reference civil service, ICSC proposed an increase of 6.9 per cent

(Mr. Osella, Argentina)

in the base/floor salary scale. In view of the importance of the scale, the 15 Latin American delegations were ready to participate constructively in the negotiations on the issue. They supported the ICSC decision to retain the present conditions for granting the housing allowance and were pleased that the allowance benefited mainly staff members at the lower levels of the Professional category and facilitated staff rotation. They hoped that at its next session the Commission would complete its study of the components to be used in measuring the cost-of-living differential between New York and Washington. They also endorsed its decision to retain the present method of calculating dependency allowances and were willing to take an active part in the negotiations on the proposed increase in the children's allowance and the secondary dependant's allowance.

62. Now that the Commission had decided to reaffirm the Flemming Principle it was to be hoped that the review of the methodology for determining the conditions of service of General Service staff would guarantee the Organization the services of highly skilled local staff. The 15 countries supported the methodology for determining the level of the education grant, which they thought should be reviewed in the near future, and the ICSC recommendations concerning the granting of the mobility and hardship allowance. They endorsed the recommendations of the Working Group on the Status of Women but insisted that the principle of equitable geographical distribution must be respected. The unilateral decision of the International Telecommunication Union to award a special post allowance was regrettable and must not constitute a precedent. However, as the Commission said in paragraph 177 of its report, special occupational rates could be introduced in the common system on an exceptional basis in order to solve the problems encountered in the recruitment and retention of staff in certain technical fields.

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/C.1/47/L.1/Rev.2 concerning agenda item 60 (A/C.1/47/L.1/Rev.2 and A/C.5/47/49)

63. The CHAIRMAN said that the Advisory Committee recommended that the Committee should inform the General Assembly that, should it adopt draft resolution A/C.1/47/L.1/Rev.2, it would need to authorize the Secretary-General to provide, on an exceptional basis, the required services to the Preparatory Commission for the Organization on the Prohibition of Chemical Weapons as an advance from the General Fund of up to $626,000 to be reimbursed to the United Nations by the Preparatory Commission on a priority basis within 90 days of the beginning of rendering of services by the United Nations, in other words, before 15 April 1993. If he heard no objection, he would take it that the Committee wished to approve the Advisory Committee's recommendation.

64. It was so decided.

AGENDA ITEM 105: PROGRAMME PLANNING (continued) (A/47/3, A/47/6, A/47/16 (Parts I and II) and Add.1, A/47/32 and Add.1; A/C.5/47/46)

Proposed revisions to the medium-term plan for the period 1992-1997

Major programme I. Maintenance of peace and security, disarmament and decolonization

Programme 5. Question of Palestine

65. Mr. COHEN (Israel) requested that due note should be taken of his delegation's serious reservations to that programme.

Major programme III. International cooperation for economic and social development

Programme 11. Overall issues and polices, including coordination

66. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 11 as contained in paragraph 76 of its report (A/47/16 (Part II)).

67. It was so decided.

Programme 45. Africa: critical economic situation, recovery and development

68. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendations of CPC on programme 45 as contained in paragraph 201 of its report (A/47/16 (Part II)).

69. It was so decided.

Major programme IV. International economic cooperation for development

Programme 12. Global development issues and policies

70. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 12 as contained in paragraph 90 of its report (A/47/16 (Part II)).

71. It was so decided.

Programme 13. Trade and development

72. Mr. OSELLA (Argentina) recalled that the Trade and Development Board had set priorities after the CPC session. He recommended that the Committee should take them into account.

73. Mr. STITT (United Kingdom) was not opposed to the Committee approving the recommendations of the Trade and Development Board. However, he was not convinced by the chosen order of priorities.

74. Mr. SPAANS (Chairman of the Committee for Programme and Coordination (CPC)) said that the Trade and Development Board's recommendations were available to the Committee. In view of the recommendations of CPC, it would be appropriate for the General Assembly to take them into account and perhaps endorse them.

75. The CHAIRMAN said that the comments concerning the Trade and Development Board's review of programme 13 applied also to programmes 14 and 15. If he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 13 as contained in paragraph 95 of its report (A/47/16 (Part II)), on the understanding that the comments made by Committee members regarding that programme would be taken into consideration along with the conclusions and recommendations of the Trade and Development Board during informal consultations.

76. It was so decided.

Programme 14. Trade expansion, export promotion and service sector development

77. Mr. MERIFIELD (Canada) endorsed the recommendations of CPC regarding programme 14. However, he thought that the post of Executive Director of the International Trade Centre, which had long been vacant, should be filled without delay.

78. Mr. CARDOSO (Brazil) agreed with the representative of Canada and recalled that the Board of Auditors had also strongly recommended filling the post in question.

79. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 14 as contained in paragraph 101 of its report (A/47/16 (Part II)), on the understanding that the comments made by members of the Committee regarding that programme would be taken into account along with the conclusions and recommendations of the Trade and Development Board during informal consultations.

80. It was so decided.

Programme 15. Least developed, land-locked and island developing countries, and special programmes

81. Mr. AL-MAKTARI (Yemen), referring to paragraph 106 (a) of the report of CPC (A/47/16 (Part II)), requested that the reference to debt-servicing should be retained and not replaced by a reference to the private sector.

82. Mr. AL-ARIMI (Oman) agreed with the representative of Yemen and asked for clarification of the term "geographical handicaps", also contained in that paragraph.

83. Mr. MARRON (Spain) noted that the Spanish version of the report referred to the external sector, not the private sector.

84. Mr. SPAANS (Chairman of the Committee for Programme and Coordination (CPC)) confirmed that CPC had never intended to mention the private sector in that regard.

85. Mr. BAUDOT (Controller) explained to the representative of Oman that the term "geographical handicaps" referred to land-locked and small island developing countries. He also pointed out that, in referring to overall external constraints rather than to debt-servicing alone, CPC had sought to ensure that more countries were included.

86. Mr. BEN HAMIDA (Tunisia) observed that the Arabic version of the CPC report did not conform to the other versions. He requested the Secretariat to ensure that the translations of documents in the different official languages were consistent.

87. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 15 as contained in paragraph 106 of its report, on the understanding that the comments made with respect to the programme would be taken into consideration during informal consultations.

88. It was so decided.

Programme 16. Environment

89. The CHAIRMAN recalled that CPC had not considered the proposed revisions to the programme, as the relevant document had not been issued in time. He drew attention to document A/47/6 (Prog. 16) and Corr. 1, as well as to section B of document A/C.5/47/46, which contained the recommendations of the Second Committee.

90. Mr. STITT (United Kingdom) said he was somewhat concerned that many elements of the programme were regarded as priorities. He hoped that, in future, all relevant documents would be submitted to CPC on time, particularly when the proposed revisions were significant.

91. The CHAIRMAN said that if he heard no objection, he would take it that the Committee wished to approve the proposed revisions to programme 16 of the medium-term plan.

92. It was so decided.

Programme 17. Science and technology for sustainable development

93. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendations of CPC on programme 17 as contained in paragraphs 118 and 119 of its report (A/47/16 (Part II)).

94. It was so decided.

Programme 18. Population

95. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 18 as contained in paragraph 125 of its report (A/47/16 (Part II)).

96. It was so decided.

Programme 19. Natural resources

97. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 19 as contained in paragraph 128 of its report (A/47/16 (Part II)).

98. It was so decided.

Programme 20. Energy

99. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 20 as contained in paragraph 134 of its report (A/47/16 (Part II)).

100. It was so decided.

Programme 21. Public administration and finance

101. Mr. STITT (United Kingdom) drew the Committee's attention to the fact that programme 21 had not been considered by the relevant intergovernmental body before reaching CPC. The same held true for other programmes. The credibility of the planning process rested to a certain extent on non-technical bodies, such as the Fifth Committee, which ought to be able to rely on appropriate technical advice. He hoped that efforts would be made in the future to ensure that the competent bodies adopted a schedule that would enable them to submit their opinions sufficiently in advance.

102. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 21 as contained in paragraph 136 of its report (A/47/16 (Part II)).

103. It was so decided.

Programme 22. Human settlements

104. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 22 as contained in paragraph 138 of its report (A/47/16 (Part II)).

105. It was so decided.

Programme 23. Transnational corporations

106. Mr. SUGANO (Japan) said that, in view of the new facts which had recently come to light in connection with the work on the code of conduct on transnational corporations, his delegation had difficulty in accepting the conclusions of CPC with regard to programme 23. During the consultations held on 21 and 23 July 1992, which had been initiated by the President of the forty-sixth session of the General Assembly, delegations had agreed that it was currently impossible to reach agreement on the code of conduct and that the issue should be deferred for an indeterminate period. They had felt that the changes in the world economy warranted a new approach by the Commission on Transnational Corporations at its next session, such as the drafting of guiding principles or other instruments on foreign investment. Given that new state of affairs, his delegation wished to propose two amendments. First, in paragraph 23.13 of the medium-term plan, the phrase "While the original objectives of the code are still valid" should be replaced by the words "on the other hand". Secondly, in paragraph 23.15 (a), the phrase "through the adoption of a code of conduct on transnational corporations" should be replaced by "through the adoption of appropriate international arrangements". His delegation hoped that those amendments would be taken into consideration in the Committee's conclusions.

107. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 23 as contained in paragraph 145 of its report (A/47/16 (Part II)), on the understanding that the comments made with respect to the programme would be taken into consideration during informal consultations.

108. It was so decided.

Programme 24. Statistics

109. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the recommendation of CPC on programme 24 as contained in paragraph 147 of its report (A/47/16 (Part II)).

110. It was so decided.

The meeting rose at 1.10 p.m.